

4th October 2022

The Director,

Corporate Tax Policy Unit

Treasury

Langton Cres

Parkes ACT 2600

frankeddistconsult@treasury.gov.au

Dear Director,

Thank you for the opportunity to submit a response to the consultation on the proposed legislation relating to Franked Distribution and Capital Raising.

We strongly object to the proposed legislation changes for the following reasons:

- The draft legislation fails to recognise the fundamental principle underlying the franking regime and the reason for its creation, the avoidance of double taxation on company earnings.
- We are Self-Funded Retirees who have both worked and saved during our working lives. We rely on the Dividends and Franking Credit refunds to cover portion of our daily living expenses. If we don't receive these credits, we will be forced to drawdown from our saving thus potentially reducing them to a point where we will be entitled to a pension.

Self -Funded retirees should not be penalised for their prudent management of their finances, in our case, fifty years of working and saving for our retirement.

Yours sincerely,

Michael and Pamela Foster